

DIRECTIVE

WORKFORCE INVESTMENT ACT

Number: WIAD04-12

Date: January 21, 2005
69:45:114:lh:8340

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: EXEMPLARY PERFORMANCE INCENTIVE AWARD

EXECUTIVE SUMMARY:

Purpose:

This directive provides State guidance for awarding Workforce Investment Act (WIA) exemplary performance (EP) incentive awards to Local Workforce Investment Areas (LWIA). The directive reflects a policy change by the California Workforce Investment Board (State Board) for dividing available funding between EP and Regional Cooperation and Local Coordination (RC/LC) incentive awards. This policy applies to performance outcomes achieved during Program Year (PY) 2003-04 and will remain in effect until rescinded or superseded.

Scope:

This directive applies to all LWIAs.

Effective Date:

This directive is effective immediately

REFERENCES:

- WIA Sections 128(a), 133(a), 134(a), and 136(c)
- Title 20, Code of Federal Regulations, Sections 666.100, 666.400, and 666.410
- Department of Labor (DOL) Training and Employment Guidance Letter (TEGL) 7-99, Core and Customer Satisfaction Performance Measures for the Workforce Investment System (March 3, 2000)
- DOL TEGL 14-00, Change 1, Attachment G, Revised Instructions and Form for the WIA Title IB Annual Report (ETA 9091) (November 19, 2001)
- State Board, EP Incentive Award Policy (approved May 18, 2004)

STATE-IMPOSED REQUIREMENTS:

This directive contains only State-imposed requirements.

FILING INSTRUCTIONS:

This directive supersedes WIA Directive WIAD01-11, dated March 11, 2002, and finalizes WIA Draft Directive WIADD-85, issued for comment on December 22, 2004. Retain this directive until further notice.

BACKGROUND:

States are required to reserve funds for incentive grants to local areas for regional cooperation among local boards and local coordination of WIA activities, and exemplary performance by LWIAs on the local performance measures [WIA 134(a)(2)(B)(iii)]. At the May 2004 meeting, the State Board modified the existing WIA Incentive Award Policy to more closely align the awards with mandated WIA performance measures.

POLICY AND PROCEDURES:

Seventy percent of the funds reserved by the Governor for incentive awards will be used for EP incentive awards. Thirty percent of the funds will be used to reward RC/LC efforts. This directive explains the process for determining individual LWIA EP incentive award amounts. A separate directive will be issued explaining the application process for the RC/LC incentive awards.

To receive a full EP incentive award, a LWIA must meet or exceed its negotiated performance goals for all of the measures in each of the four WIA customer groups (i.e. adults, dislocated workers, older youth, younger youth). A LWIA may receive a partial award for meeting or exceeding all of the performance goals in any one of the customer groups. Each customer group represents 25 percent of the full EP incentive award.

Example A: The LWIA met all performance goals for each of the four groups, Adult, Dislocated Workers, Older Youth and Younger Youth. The LWIA would receive a full EP incentive award.

Example B: The LWIA met all Adult, Dislocated Worker and Older Youth performance goals but failed to achieve 100 percent of its negotiated performance levels in the Younger Youth group. The amount of the EP incentive award would be reduced by 25 percent. Therefore, the LWIA would receive a partial EP incentive award.

Awards Calculation Methodology

To determine the potential dollar amount of a full award for each LWIA, the total formula allocation for each LWIA receiving an award is divided by the total of all formula allocations for LWIAs receiving EP incentive awards. The resulting percentage reflects each LWIA's full share of available EP incentive awards funds.

This amount is adjusted to meet minimum and maximum award caps. For the purposes of this directive, a minimum full award is no less than one percent of the total funds made available by the Governor for EP incentive awards. A maximum full award is no more than ten percent of the total funds made available for EP incentive awards. Partial

awards are calculated by reducing this adjusted amount by the percentages assigned to each customer group.

The EP incentive awards will be calculated by the Workforce Investment Division (WID) and will be based upon the performance outcomes reported to DOL in the State's WIA Annual Report. Following the submission of the Annual Report to DOL and pending the Governor's approval, WID will contact the award recipients individually.

The EP incentive awards may be used for any WIA allowable program or administrative activity. Participants served with funds awarded for exemplary performance must be counted in determining performance measures.

ACTION:

Bring this directive to the attention of affected staff.

INQUIRIES:

If you have any questions, please contact your [Regional Advisor](#) at (916) 653-6347.

/S/ BOB HERMSMEIER
Chief
Workforce Investment Division